IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

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In re: §

§ Chapter 11

NORTHSTAR OFFSHORE GROUP, LLC

Case No. 16-34028

Putative Debtor. §

JOINT EMERGENCY MOTION TO CONTINUE THE HEARING ON THE LIFT STAY MOTION FILED BY THE STATE OF LOUISIANA, THROUGH THE OFFICE OF MINERAL RESOURCES, DEPARTMENT OF NATURAL RESOURCES SCHEDULED FOR NOVEMBER 4, 2016 AT 9:00 A.M. CST

(Relates to Docket Nos. 50, 53)

MOTION SEEKS AN ORDER THAT MAY THIS ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

EMERGENCY RELIEF HAS BEEN REQUESTED. IF THE COURT CONSIDERS THE MOTION ON AN EMERGENCY BASIS, THEN YOU WILL HAVE LESS THAN TWENTY FOUR DAYS TO ANSWER. IF YOU OBJECT TO THE REQUESTED RELIEF OR IF YOU BELIEVE THAT EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU SHOULD FILE AN IMMEDIATE RESPONSE.

TO THE HONORABLE U.S. BANKRUPTCY COURT:

Northstar Offshore Group, LLC ("<u>Northstar</u>"), Putative Debtor in the above-captioned case, and the State of Louisiana ("the State"), through the Office of Mineral Resources, Department of Natural Resources (together with Northstar, the "Parties") submit this joint motion to continue (the "Motion to Continue") the hearing currently scheduled for November 4, 2016 at 9:00 a.m. CST and respectfully represents as follows:

- On August 12, 2016, Alliance Offshore, LLC, Alliance Energy Services, LLC, and Montco Oilfield Contractors, LLC filed an involuntary chapter 11 petition [Dkt. No. 1] against Northstar.
- 2. Pursuant to the Case Management Order entered in the above-captioned case, there is a hearing on the involuntary petition, and whether to grant or deny involuntary relief set for November 30, 2016 at 9:00 a.m. CST. *See* Dkt. No. 45.
- 3. On October 17, 2016, the State filed a Motion for Relief From the Automatic Stay (the "Stay Relief Motion") [Dkt. No. 50] in order to exercise its regulatory rights to conduct an audit on Northstar. The State scheduled a hearing on the Stay Relief Motion for November 10, 2016 at 1:30 p.m. CST.
- 4. On October 20, 2016, the Court entered an order resetting the hearing on the Stay Relief Motion for November 4, 2016 at 9:00 a.m. CST. [Dkt. No. 53].
- 5. The Parties have conferred and have agreed that it is in the best interests of both parties for the hearing on the Stay Relief Motion to be reset to a date that is after the hearing on the involuntary petition. Northstar believes that prior to the November 30, 2016 hearing, its resources are best allocated to the negotiations and settlements with its creditors. In addition, pursuant to the Case Management Order, discovery on the involuntary petition will commence on

November 7, 2016. Further, the Parties believe that, if the Court grants involuntary relief, that they will be able to negotiate a resolution of the Lift Stay Motion.

- 6. Therefore, by this Motion, the Parties request entry of an order continuing the hearing on the Lift Stay Motion from November 4, 2016 to a date that is after the November 30, 2016 hearing on whether to grant or deny involuntary relief for Northstar.
- 7. Emergency consideration of the Motion to Continue is necessary as the objection deadline for the Stay Relief Motion is two days from the date of this filing (October 28, 2016) and the hearing on the Stay Relief Motion is currently scheduled for nine days from the date of this filing (November 4, 2016).

WHEREFORE, the Parties respectfully request that the Court enter an order, the form of which is attached hereto as Exhibit A, granting this Motion to Continue, continuing the hearing on the Lift Stay Motion to a date that is after the November 30, 2016 hearing and granting all other relief that is appropriate under the circumstances.

Dated: October 27, 2016

Respectfully submitted,
/s/ Lydia T. Protopapas
Lydia T. Protopapas
Texas Bar No. 00797267
Southern Dist. of Texas Bar No. 21378
Jason W. Billeck
Texas Bar No. 24001740
Southern Dist. of Texas Bar No. 23802

WINSTON & STRAWN LLP

1111 Louisiana, 25th Floor Houston, TX 77002

Telephone: (713) 651-2600 Facsimile: (713) 651-2700

Counsel for Northstar Offshore Group, LLC

/s/ Ryan M. Seidemann_

Ryan M. Seidemann (La. Bar Roll # 28991) Assistant Attorney General Civil Division/Lands & Natural Resources Post Office Box 94005 Baton Rouge, Louisiana 70804-9005 TEL:(225) 326-6085

TEL:(225) 326-6085 FAX: (225) 326-6099

Counsel for the State of Louisiana, through the Office of Mineral Resources, Department of Natural Resources

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by electronic transmission to all registered ECF users appearing in this case on October 27, 2016.

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/s/ Lydia T. Protopapas
Lydia T. Protopapas

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re: NORTHSTAR OFFSHORE GROUP, LLO Putative Debtor.	\$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	Chapter 11 Case No. 16-340	28
ORDER CONTINUING HEARING ON STATE OF LOUISIANA, THROUGH DEPARTMENT OF NATURAL RESOUR <u>AT 9:0</u>	THE OF	FFICE OF MINERAL CHEDULED FOR NO	L RESOURCES,
The Court has considered the Joint En	nergency	Motion to Continue th	e Hearing on the Lif
Stay Motion Filed by the State of Louisiana, To	hrough th	he Office of Mineral Re	esources, Departmen
of Natural Resources Scheduled for Noven	nber 4,	2016 at 9:00 a.m. C	CST (the "Motion to
Continue"). The Court hereby GRANTS the	Motion	to Continue, and furth	er ORDERS that the
Lift Stay Motion ¹ is RESCHEDULED to		at	a.m / p.m.
Dated:			
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¹ Defined terms shall have the meaning ascribed to such terms in the Motion to Continue.